



Uniform Medical Plan

Your health. Your plan. Your choice.

Volume 4, Issue 1

Provider Bulletin

January 2002

Please circulate the *UMP Provider Bulletin* to the appropriate clinical, billing, and bookkeeping staff.

A Personal Note from Andrew Brunskill, M.D., Medical Director

I hope that your holiday season has been bright and given you a much-needed respite from the tragedies of last fall! I'd like to let you know about a few outstanding issues that may be of concern to UMP preferred providers.

Dispense as Written (DAW)— the Good, the Bad, and the Ugly

In the past, UMP has been reimbursing DAW requests for multi-source brand drugs as single-source brand drugs. This added \$770,000 to UMP's total prescription costs in 2000. Pharmacy claims continue to outpace other UMP costs and are under close scrutiny, given the state's current budget ills. Some DAW requests look sensible. For example, coumadin and cyclosporin—did you know that Canadian standards for bioequivalence are tougher than our FDA standards for these? But some DAW requests are difficult to justify—for example, triamterene diuretic combinations, or anusol HC. Have we misunderstood sensible prescribing, or are these due to poor prescribing practices, inappropriate patient pressure, or direct-to-consumer advertising? We don't want to carry poor and costly practices. So UMP has initiated a prior authorization program for higher reimbursement of DAW drugs in 2002. This program will be limited to certain types of drugs. We would welcome suggestions on how to keep costs down and minimize the nuisance factor—let me know your ideas!

Get Paid for Coming to Exciting Downtown Seattle!

We are recruiting providers to become members of our utilization review, quality improvement, and provider credentialing committees. These involve periodic meetings, meals, transportation, and honoraria. Here's your chance to get your views regarding health care

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quality issues heard and implemented! The committees will help with development or review of UMP policies, as well as some provider quality issues. If interested, please contact me at abru107@hca.wa.gov.

Attorneys, Colorectal Screening, Smoking Cessation

Did you know that patients are *suing* providers for failing to recommend accepted screening protocols? One provider was fined by the state for failing to recommend colorectal screening to a patient who developed colorectal cancer five years later. I haven't seen a similar case on smoking cessation yet. UMP supports a generous benefit for preventive services, but many members are saying that their doctors are not recommending these. Please familiarize yourself with UMP's screening recommendations and the U.S. Preventive Services Task Force guidelines, available through the UMP Web site at www.wa.gov/hca/ump and in the *UMP Certificate of Coverage*. There seems to be particular risk for specialists acting as patients' primary care doctors. Document your recommendations even if the patient is declining them.

Diabetes Collaborative

UMP's Diabetes Quality Improvement Project is underway! IT'S NOT TOO LATE for you and your patients to join this project!

The project provides:

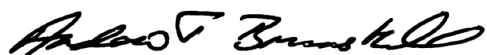
- **ENHANCED REIMBURSEMENT** for five comprehensive "planned" visits (Physician's Current Procedural Terminology [*CPT™] codes 99213-99215 at 100% of fee schedule) provided over the 12-month study period. If Medicare is the primary payer, it may be better to use the following CPT codes:

99387 Initial preventive medicine evaluation and management for NEW patient age 65 and older
99397 Periodic preventive medicine reevaluation and management for established patient age 65 and older

These visits are to provide specific diabetes care planning, goal setting, evaluation, and counseling.
- **ENHANCED PATIENT-PROVIDER INTERACTIONS** regarding discussion of lab results, diabetes care guidelines, and goal setting for diabetes care by providing expanded benefits.
- **PAGER USE** to remind patients of medications and self-care practices and/or "in-home" lab kits which enable patients to take specimens at home and get the results prior to their scheduled planning visit with their provider.
- **ENHANCED QUALITY OF CARE** by encouraging the use of clinical guidelines to lessen the impact of diabetes by reducing complications and sequelae of diabetes.

Please call Andrea C. Skelly, MPH, at (206) 521-2033 about enrolling your UMP diabetic patients in this project, or if you have any questions.

Sincerely,



Andrew J. Brunskill, M.D.

UMP Medical Director

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Phone (206) 521-2000

Fax (206) 521-2001

**Note: CPT is a trademark of the American Medical Association. CPT codes and descriptions only are copyright 2001 American Medical Association. All Rights Reserved. Applicable FARS/DFARS Apply.*

How To REACH Us

Claims Processing and Preauthorizations

Toll-free 1-800-464-0967

Local (425) 670-3046

Fax (425) 670-3199

- Benefits information
- Customer service
- Claims information
- Enrollee eligibility information
- General billing questions
- Medical review
- Prenotification/preauthorization
- Status of submitted claim
- Verify provider's preferred status

Automated Enrollee

Eligibility Information

Toll-free 1-800-335-1062

Have subscriber I.D. number available, and select #2 for "PEBB subscriber information"

Provider Credentialing and Contracting Issues

Toll-free 1-800-292-8092

Local (206) 521-2023

Fax (206) 521-2001

- Change of provider status
- New provider enrollment
- Preferred provider contract information
- Policies and procedures
- Questions regarding provider billing manuals and/or fee schedules and payment policies
- *Provider Bulletin* feedback

Alternate of Washington Health Services, Inc.

Toll-free 1-800-500-0997

Local (206) 405-2923

- Preferred network information for licensed massage practitioners, naturopathic physicians, and licensed acupuncturists

Merck-Medco Managed

Care, L.L.C.

Toll-free 1-800-903-8224

- Prescription drugs and claims questions

Notifying the UMP of Changes

As a preferred provider, it is important that you keep us informed of any changes to your practice or status, such as changes to your business address, telephone numbers, tax I.D. number, licensure, certification, registration, or qualifications. Please send all updated information to the UMP Provider Credentialing Division. See above for contact information.

Payment Systems, Policies, and Billing Instruction Updates

2002 Added and Deleted Procedure Codes and Modifiers

The UMP has implemented the 2002 CPT codes and Healthcare Common Procedure Coding System (HCPCS) level II codes, including addition and deletion of codes.

The new procedure codes and modifiers are valid for dates of service on or after January 1, 2002. Deleted procedure codes and modifiers will not be valid for dates of service after March 31, 2002, when our grace period for using deleted codes ends.

The applicable fee schedules on our Web site at www.wa.gov/hca/ump contain the UMP maximum allowance information for the new codes.

New Bundled Procedure Codes

Two new CPT codes listed below are bundled codes under the Resource Based Relative Value Scale (RBRVS) methodology and are not separately reimbursed. Payment for these is factored into the reimbursement of other procedures/services.

| CPT Code | Brief description* |
|----------|-----------------------------|
| 91123 | Irrigate fecal impaction |
| 99091 | Collect/review data from pt |

*Please refer to 2002 CPT Book for complete description

Two new HCPCS codes listed below are bundled codes and are not separately reimbursed when reported with other payable procedure codes on the same date of service.

| HCPCS Code | Description |
|------------|--|
| G0117 | Glaucoma screening for high-risk patients furnished by an optometrist or ophthalmologist |
| G0118 | Glaucoma screening for high-risk patient furnished under the direct supervision of an optometrist or ophthalmologist |

The new HCPCS code identified below is bundled and is not separately reimbursed under the RBRVS methodology when the supply is applied incident to a procedure. If it is provided as a surgical dressing for take-home use, separate payment will be considered.

| HCPCS Code | Description |
|------------|---|
| A6010 | Collagen based wound filler, dry form, per gram of collagen |

Billing Change for Hepatitis B Immune Globulin Product (CPT code 90371)

Effective January 1, 2002, the UMP maximum allowance for CPT code 90371 is per milliliter (ml), rather than per 0.5 ml. Be sure to enter units as ml when submitting claims for services on January 1, 2002 and after.

Reminders

- **Important Note:** When ordering laboratory tests/procedures, be sure to include diagnosis information on the requisition form at the time of the referral, as claims from the laboratories must include a diagnosis for payment consideration.
- CMS's current 2-digit place-of-service codes must be included on the HCFA-1500 claim form for UMP payment consideration. Refer to the *UMP Billing and Administrative Manual for Professional Providers* for a listing of these codes.
- All claims submitted to the UMP for payment consideration must include a valid ICD code and be coded to the highest level of specificity (i.e., 4th/5th digits where applicable).
- For physical, occupational, speech, and massage therapy, services must be part of a formal treatment plan developed in conjunction with the clinician that diagnosed the condition and prescribed the therapy.
- The appropriate HCFA-1500 or HCFA-1450 (UB-92) claim forms must be used when billing the UMP.

Outpatient Prospective Payment System (OPPS) Implemented for Hospital (Facility) Claims

UMP has implemented a new Outpatient Prospective Payment System (OPPS) for hospital outpatient facility charges with dates of service on January 1, 2002 and after. The new payment system will not apply to rural hospitals (as defined by the Department of Health's Peer Group A) or children's hospitals in 2002. The payment system uses Medicare's Ambulatory Payment Classifications (APCs) and weights, and follows most Medicare payment policies. UMP has not adopted Medicare policies on inpatient-only procedures that are not reimbursed in an outpatient setting. An updated *UMP Preferred Hospital Billing and Administrative Manual*, containing billing instructions and payment policy information, can be downloaded from the UMP Web site.

Telehealth Services

Coverage decisions for telehealth services are determined by the UMP on a case-by-case basis. Medical records justifying the medical necessity for the telemedicine service must be submitted for any coverage and payment consideration. When billing for these services, please follow the Medicare coding guidelines (including the applicable modifier) and submit the supporting documentation for payment consideration.

Anesthesia Payment System Updates

UMP has implemented several new CPT anesthesia codes, including two anesthesia add-on codes, effective January 1, 2002.

The two new add-on codes listed below are used only in conjunction with the new CPT primary anesthesia code 01967.

| CPT Code | Brief description* |
|----------|-----------------------------|
| 01968 | Anes/anal cs deliver add-on |
| 01969 | Anesth/anal cs hyst add-on |

*Please refer to 2002 CPT Book for complete description

The following new CPT surgical codes have been added to our list of pain management, nerve blocks, and other services paid under the RBRVS methodology.

| CPT Code | Brief description* |
|----------|-------------------------------|
| 11981 | Insert drug implant device |
| 11982 | Remove drug implant device |
| 11983 | Remove/insert drug implant |
| 20526 | Ther injection, carpal tunnel |
| 20551 | Inject tendon origin/insert |
| 64561 | Implant neuroelectrodes |

*Please refer to 2002 CPT Book for complete description

The anesthesia services described below should be reported with the new 2002 *American Society of Anesthesiologists Relative Value Guide* (ASARVG) codes indicated below for dates of service on or after January 1, 2002. (For dates of service in 2001, these services were reported under codes 01961 and 01962.)

| ASA Code | Description |
|----------|---|
| 02100 | Anesthesia for diagnostic or therapeutic nerve blocks and injections (when block or injection is performed by a different provider) |
| 02101 | Anesthesia for diagnostic or therapeutic nerve blocks and injections—patient in the prone position (when block or injection is performed by a different provider) |

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The anesthesia base units for all of the new anesthesia codes are on the updated UMP *Anesthesia Fee Schedule*, which is available on the UMP Web site.

Certificate of Coverage (COC) Changes for 2002

We continuously strive to provide UMP members with the best possible value in health care, delivering quality services while managing costs. The UMP's 2002 *Certificate of Coverage* (COC), which contains plan benefit information, is enclosed. The following are highlights of the changes to the UMP benefit structure implemented on January 1, 2002. Refer to the COC for more details.

Vision Care Simplified

Each UMP member is allowed a maximum benefit of \$100 every two years for vision hardware (frames, lenses, contact lenses), including fitting fees for contact lenses. Routine eye exams are covered once every two calendar years and are paid according to the preferred status of the provider (90% for preferred, 60% for nonpreferred). Neither of these benefits is subject to the annual medical/surgical deductible.

Mental Health Treatment Benefits Enhanced

Effective January 1, 2002, mental health services are reimbursed at the same percentages as other covered medical services. Therefore, after the annual deductible is met, the UMP pays 90 percent of allowed charges for mental health care from UMP preferred professional providers and outpatient facility services. Inpatient services from preferred facilities are covered at 100 percent subject to hospital copayments. Nonpreferred provider services are reimbursed at 60 percent of allowed charges, and out-of-area services are reimbursed at 80 percent of allowed charges. Mental health benefits are still limited to 10 inpatient days and 20 outpatient visits per calendar year.

Coinsurance/copayments for mental health treatment apply to the annual out-of-pocket limit, with the exception of services from nonpreferred providers. Please note that masters' level mental health providers must be UMP-preferred for their services to be covered at all.

As an alternative to inpatient care, the UMP covers "partial hospitalization" services. With preauthorization by UMP, partial hospitalization services may be counted toward inpatient benefit limits at a rate of two partial hospitalization days per inpatient day, until the 10-day limit on inpatient services has been met. Partial hospitalization services are considered outpatient services for determining applicable coinsurance. If the 10-day limit on inpatient services has been reached, or if not preauthorized, partial hospitalization services count toward the 20-visit limit on outpatient services.

Acupuncturist and Naturopathic Provider Network Update

UMP has expanded its alternative care network under Alternáre to include naturopathic physicians and acupuncturists in addition to licensed massage therapists. With the exception of Providence Preferred providers in Oregon and alternative care providers associated with a few UMP-preferred clinics, naturopaths and acupuncturists who do not contract with Alternáre will be reimbursed as nonpreferred providers in 2002. Also, please note that licensed massage therapists *must be UMP-preferred* for their services to be covered at all.

Organ Transplant Benefits Expanded

Up to 15 searches per transplant per patient are covered for bone marrow, stem cell, or umbilical cord donor searches.

Prescription Drug Benefit Revisions

For reimbursement changes for “DAW” prescriptions, please see “A Personal Note from Andrew Brunskill, M.D., Medical Director.”

Copayments for generic drugs ordered through Merck-Medco's mail-order program have decreased from \$20 to only \$5 per prescription or refill. This also applies to insulin and disposable diabetic supplies.

For retail pharmacies, reimbursement for generic drugs has decreased from 90% to 80%.

Hospital and Skilled Nursing Facility Copayment Changes

Enrollee copayments for inpatient hospital and skilled nursing facility services increased to \$200 per day, up to \$600 per person per calendar year. Emergency room copayments increased to \$75 per visit.

Additional Services that Require Preauthorization

Preauthorization is now required for coverage of the following services:

- Genetic testing
- Surgical procedures generally performed for treatment of obesity

Anesthesia for Dental Procedures and Related Facility Charges Allowed

Coverage of anesthesia and related facility charges in conjunction with any dental procedure performed in a

hospital or ambulatory surgical center is allowed if services are medically necessary for certain children and certain enrollees with specific medical conditions. Refer to the COC for details.

Chemical Dependency Treatment Benefit Increased

The chemical dependency benefit maximum plan payment increased to \$10,680 for inpatient and outpatient treatment combined during any 24 consecutive calendar months.

Diabetes Education Coverage

The UMP follows Medicare protocol for coverage of diabetes education. Diabetes education services must be prescribed by the enrollee's provider. Services are covered only for:

- Newly diagnosed diabetics;
- Those undergoing a change in treatment regimen from diet control to oral diabetes medication, or from oral diabetes medication to insulin;
- Those having inadequate glycemic control as evidenced by a HbA1c level of 8.5 percent or more on two consecutive HbA1c determinations three or more months apart in the year before training begins; or
- Persons at high risk for complications.

Breast Pump Coverage

Breast pumps are covered as a benefit exception based on medical necessity. Breast pumps not required by a medical condition are no longer routinely covered. UMP maximum allowances for the purchase or rental of breast pumps are under development.

Interactive Voice Response (IVR) System

When you wish to verify eligibility or claims status, you may call UMP Customer Service at 1-800-762-6004 or the Provider Service line at 1-800-464-0967 and choose our Interactive Voice Response (IVR) application. This option offers access to our automated self-service program. By following the recorded prompts and entering the requested member information, you will be able to verify coverage and/or claims status for multiple members, with no waiting. If you need assistance, please remember you can exit the system and speak to a representative at any time. Our Customer Service staff is available to assist you Monday through Friday, 8 a.m. to 6 p.m. PST.

2002 Preferred Provider and Participating Pharmacy Directory Information

We value and appreciate your continued participation with the UMP Preferred Provider Network. A copy of the *UMP 2002 Preferred Provider and Participating Pharmacy Directory* is enclosed. It includes all providers, facilities, and pharmacies contracted with the UMP as of August 2001.

A separate addendum containing the UMP-preferred acupuncture, naturopathic, and massage therapy providers with the Alternare network is also enclosed.

As a preferred provider, you are required to refer patients to other preferred providers when possible. Please use the enclosed directory and addendum to identify appropriate providers for referral. If you joined the UMP provider network after the directory was published, you will be included in the next revision. In the interim, enrollees and providers may confirm your preferred status by contacting the UMP.

As the UMP preferred provider network is updated on an ongoing basis, we encourage members to contact the plan at 1-800-762-6004 to verify whether their provider, facility, or pharmacy participates in the network.

A Contractual Reminder

In your preferred provider contract with the UMP, you agreed to accept the UMP fee schedule amount as payment in full for services covered by UMP. After the annual medical/surgical deductible is satisfied, the UMP generally reimburses 90 percent for services by preferred providers. The member is responsible for the remaining 10 percent.

As part of this contractual agreement, preferred providers have agreed not to bill our members for any amount other than their 10 percent coinsurance. It has come to our attention that some providers have been doing just that, which is in violation of their contract with the UMP.

If you have any questions about this or any other contractual issues, please review your UMP contract. You may call Elizabeth Cochran, Manager, Provider and Administrative Services, at (206) 521-2010 if you need further assistance.

UMP Provider E-mail Mailing List Service

If you would you like to receive UMP announcements and notifications via e-mail when we make major benefit or policy changes, update payment systems, or revise billing manuals, we encourage you to subscribe to our e-mail mailing list for providers by visiting the Web site:

listserv.wa.gov/archives/ump-providers.html

We continue our efforts to keep information on our Web site current, including the fee schedules and billing manuals. Our provider bulletins and revised pages to our billing manuals will continue to be mailed to you on a periodic basis.

UMP Web Site Updates (www.wa.gov/hca/ump)

The UMP's *Billing and Administrative Manual for Professional Providers* and *Billing and Administrative Manual for Hospitals*, as well as the updated fee schedules, may be downloaded from our Web site (www.wa.gov/hca/ump). In July 2002, we plan to distribute updates to the UMP's *Billing and Administrative Manual for Professional Providers*, reflecting policies that have been revised since the last update, along with annual changes to our fee schedule.

Complaint and Appeal Procedures

The UMP has made significant changes in appeals procedures as a result of the Washington Patient Bill of Rights. Please see the enclosed *UMP 2002 Certificate of Coverage* for detailed information on member appeals. We are currently reviewing our process for handling provider appeals not made on behalf of a UMP member.

To obtain this document in another format, call our Americans with Disabilities Act (ADA) Coordinator at (360) 923-2805. TTY users (deaf, hard of hearing, or speech impaired), call (360) 923-2701 or toll-free 1-888-923-5622.